

REMARKS:

Claims 7-12 are currently pending in the application.

Claims 1-6 and 13-20 have been previously canceled without *prejudice*.

Claims 7-12 stand rejected under 35 U.S.C. § 112, second paragraph.

Claims 7-12 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,516,301 to Aykin ("*Aykin*").

Claims 7-12 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,516,301 to Rand *et al.* ("*Rand*").

Although the Applicants believe Claims 7-12 are directed to patentable subject matter without amendment, the Applicants have amended independent Claim 7 and dependent Claims 8-12 to more particularly point out and distinctly claim the Applicant's invention. By making these amendments, the Applicants makes no admission concerning the merits of the Examiner's rejection, and respectfully reserve the right to address any statement or averment of the Examiner not specifically addressed in this response. Particularly, the Applicants reserve the right to pursue broader claims in this Application or through a continuation patent application. No new matter has been added.

REJECTION UNDER 35 U.S.C. § 112:

Claims 7-12 stand rejected under 35 U.S.C. § 112, second paragraph, as allegedly being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicants regard as the invention.

The Examiner specifically states "Claim 7, line 9, 'a dummy location' is not clear." (25 May 2006 Office Action, Page 2). The Applicants respectfully disagree. The Examiner further specifically states "Claim 7, line 10, 'a path' is not clear in juxtaposition to 'a plurality of paths' that immediately precedes 'a path'." (25 May 2006 Office Action, Page 2). The Applicants respectfully disagree. The Examiner still further specifically states "Claim 7, line

12, 'an infinite transfer cost' is not clear." (25 May 2006 Office Action, Page 3). The Applicants respectfully disagree.

Nonetheless, the Applicants have amended dependent Claim 7 in an effort to expedite prosecution of this Application and to more particularly point out and distinctly claim the subject matter which the Applicants regard as the invention. By making these amendments, the Applicants do not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 112, as set forth in the Office Action.

The Applicants respectfully submit that amended Claim 7 is considered to be in full compliance with the requirements of 35 U.S.C. § 112. The Applicants further submit that amended Claim 7 is in condition for allowance. Thus, the Applicants respectfully request that the rejection of Claim 7 under 35 U.S.C. § 112 be reconsidered and that Claim 7 be allowed.

REJECTION UNDER 35 U.S.C. § 103(a):

Claims 7-12 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,516,301 to Aykin ("*Aykin*").

Claims 7-12 stand rejected under 35 U.S.C. § 103(a) over U.S. Patent No. 6,516,301 to Rand *et al.* ("*Rand*").

Although the Applicants believe Claims 7-12 are directed to patentable subject matter without amendment, the Applicants have amended independent Claim 7 and dependent Claims 8-12 to more particularly point out and distinctly claim the Applicant's invention. By making these amendments, the Applicants do not indicate agreement with or acquiescence to the Examiner's position with respect to the rejections of these claims under 35 U.S.C. § 103(a), as set forth in the Office Action.

The Applicants respectfully submit that ***the amendments to independent Claim 7 and dependent Claims 8-12 have rendered moot the Examiner's rejection of Claims***

7-12 and the Examiner's arguments in support of the rejection of Claims 7-12. The Applicants further respectfully submit that amended Claims 7-12 in their current amended form contains unique and novel limitations that are not disclosed, suggested, or even hinted at in *Aykin*, *Rand*, or the Examiner's Official Notice. Thus, the Applicants respectfully traverse the Examiner's obvious rejection of Claims 7-12 under 35 U.S.C. § 103(a) over the proposed combination of *Aykin*, *Rand*, or the Examiner's Official Notice, either individually or in combination.

The Proposed *Aykin-Rand-Official-Notice* Fails to Disclose, Teach, or Suggest Various Limitations Recited in Applicants Claims

For example, with respect to amended independent Claim 7, this claim recites:

A **computer-implemented system** comprising one or more processing units operable to execute one or more software components to:
define **a plurality of locations for redistributing a plurality of parts**;
establish **an actual inventory** of the plurality of parts among the plurality of locations;
establish **a desired distribution** of the plurality of parts among the plurality of locations;
determine **a demand for each of the plurality of parts at each of the plurality of locations using the actual inventory and the desired distribution**;
add one or more dummy locations, each of the one or more dummy locations comprising a positive demand for attracting a plurality of excess parts;
determine a plurality of paths, each path being operable to transfer at least one of the plurality of parts from one location to another location, wherein **the plurality of paths include at least one path to the one or more dummy locations that is associated with an infinite transfer cost**,
generate a transfer function describing a cost of transferring the plurality of excess parts along the plurality of paths; and
optimize the transfer function to achieve the desired distribution of the plurality of parts at minimum cost. (Emphasis Added).

Aykin, *Rand*, or the Examiner's Official Notice fail to disclose each and every limitation of amended independent Claim 7.

The Applicants respectfully submit that *Aykin* or *Rand* have nothing to do with amended independent Claim 7 limitations regarding a “**computer-implemented system** comprising one or more processing units operable to execute one or more software components” and in particular *Aykin* or *Rand* have nothing to do with amended independent Claim 7 limitations regarding “defin[ing] **a plurality of locations for redistributing a plurality of parts**”, “establish[ing] **an actual inventory** of the plurality of parts among the plurality of locations”, “establish[ing] **a desired distribution** of the plurality of parts among the plurality of locations”, or “determine[ing] **a demand for each of the plurality of parts at each of the plurality of locations using the actual inventory and the desired distribution**”. In particular, it appears that the Examiner is equating the “**computer-implemented system**” recited in amended independent Claim 7 with Figures 1-3 generally in *Aykin* and Figures 2-4 generally in *Rand*. (25 May 2006 Office Action, Pages 3-4). However, the Examiner fails to assert anything more than a conclusory generalization that *Aykin* and *Rand* disclose the Applicants claimed invention, as discussed below in more detail with respect to MPEP § 706.02(j). Thus, the Applicants respectfully submit that the generalized equations forming the foundation of the Examiner’s generalized comparison between *Aykin*, *Rand*, and independent Claim 1 cannot be made. The Applicants further respectfully submit that these distinctions alone are sufficient to patentably distinguish independent Claim 1 from *Aykin* and *Rand*.

The Office Action Acknowledges that the *Aykin-Rand* Combination Fails to Disclose Various Limitations Recited in Applicants Claims

The Applicants respectfully submit that the Office Action acknowledges, and the Applicants agree, that *Aykin* and *Rand* fail to disclose the emphasized limitations noted above in independent Claim 1. Specifically the Examiner acknowledges that *Aykin* and *Rand* fail to disclose “a dummy location and infinite transfer cost”. (25 May 2006 Office Action, Pages 4-5). However, the Examiner asserts Official Notice over the acknowledged shortcomings in *Aykin* and *Rand*. The Applicants respectfully traverse the Examiner’s Official Notice.

The Examiner's Official Notice is improper under MPEP § 2144.03

The Applicants respectfully submit that the Applicants are confused as to what the Examiner teaches by the Official Notice or even the extent in which the Examiner is taking Official Notice. The Applicants respectfully request clarification as to the subject matter for which the Examiner is taking Official Notice. ***The Applicants respectfully traverse the Official Notice because the asserted facts, as best understood by the Applicants, are not supported by substantial documentary evidence or any type of documentary evidence and appear to be the Examiner's opinions formulated using the subject Application as a template, which constitutes impermissible use of hindsight.*** Furthermore, under these circumstances, it is inappropriate for the Examiner to take Official Notice without documentary evidence to support the Examiner's conclusion. (See MPEP § 2144.03). ***The Applicants respectfully request the Examiner to produce authority for the Examiner's Official Notice.***

Only "in limited circumstances," is it "appropriate for an examiner to take official notice of facts not in the record or to rely on common knowledge in making a rejection". (MPEP § 2144.03). "Official notice unsupported by documentary evidence ***should only be taken by the examiner*** where the facts asserted to be well-known, or to be common knowledge in the art are ***capable of instant and unquestionable demonstration as being well-known***. With respect to the subject Application, ***the Examiner's statement*** that "Official Notice is taken that a dummy location and infinite transfer cost are both common knowledge in the parts distribution art", ***is not capable of instant and unquestionable demonstration as being well-known***. (25 May 2006 Office Action, Pages 3-4). As noted by the court in *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the examiner must be '***capable of such instant and unquestionable demonstration as to defy the dispute***' (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 U.S.P.Q. 6 (C.C.P.A. 1961))." (MPEP § 2144.03(A)). (Emphasis Added).

"It is never appropriate to rely solely on 'common knowledge' in the art without evidentiary support in the record, as the principal evidence upon which a

rejection was based. *Zurko*, 258 F.3d at 1385, 59 USPQ2d at 1697. (Emphasis Added). As the court held in *Zurko*, an assessment of basic knowledge and common sense that is not based on any evidence in the record lacks substantial evidence support. *Id.* at 1385, 59 USPQ2d at 1697. See also *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002).” (MPEP § 2144.03(A)). “Ordinarily, there must be some form of evidence in the record to support an assertion of common knowledge. See *Lee*, 277 F.3d at 1344-45, 61 USPQ2d at 1434-35 (Fed. Cir. 2002); *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (holding that **general conclusions concerning what is “basic knowledge” or “common sense” to one of ordinary skill in the art without specific factual findings and some concrete evidence in the record to support these findings will not support an obviousness rejection**). The examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge. See *Soli*, 317 F.2d at 946, 37 USPQ at 801; *Chevenard*, 139 F.2d at 713, 60 USPQ at 241. The applicant should be presented with the explicit basis on which the examiner regards the matter as subject to official notice and be allowed to challenge the assertion in the next reply after the Office action in which the common knowledge statement was made.” (MPEP § 2144.03(B)). (Emphasis Added).

With respect to the subject Application, **the Examiner has not properly Officially Noticed or not properly based the Official Notice on common knowledge.** The Examiner's conclusory statement:

Official Notice is taken that a dummy location and infinite transfer cost **are both common knowledge in the parts distribution art.** (25 May 2006 Office Action, Pages 3-4). (Emphasis Added).

The above noticed Examiner's conclusory statement **does not adequately address the issue that this statement is considered to be common knowledge or well-known in the art.** The Applicants respectfully submit the following statement, to further explain why the Examiner's above noticed statement is not considered to be common knowledge or well-known in the art.

First, it is not clear what the Examiner means by “dummy location” or “infinite transfer cost” (i.e. what “dummy location” or “infinite transfer cost” is the Examiner referring to and to what extent does the Examiner purport this “dummy location” or “infinite transfer cost” applies to the subject Application). In fact, the limitations recited in amended independent Claim 7 are directed to **“one or more dummy locations, each of the one or more dummy locations comprising a positive demand for attracting a plurality of excess parts”** and **“determine[ing] a plurality of paths, each path being operable to transfer at least one of the plurality of parts from one location to another location, wherein the plurality of paths include at least one path to the one or more dummy locations that is associated with an infinite transfer cost”**. It is simply not clear how the Examiner’s purported “dummy location” or “infinite transfer cost” relates to the subject Application.

Second, as explained above, the Examiner’s statement that “a dummy location and infinite transfer cost” is not considered to be common knowledge or well-known in the art. The Applicants respectfully submit that the **“one or more dummy locations”** recited in amended independent Claim 7 provides for **“attracting a plurality of excess parts”** and in addition the **“plurality of paths include at least one path to the one or more dummy locations that is associated with an infinite transfer cost”**. Thus, the Applicants further respectfully submit that the equations forming the foundation of the Examiner’s comparison between the Examiner’s purported Official Notice and amended independent Claim 7 cannot be made.

Third, there is simply no disclosure, teaching, or suggestion in *Aykin, Rand*, or the Examiner’s Official Notice of a “dummy location” or “infinite transfer cost”, as recited in amended independent Claim 7.

The Applicants respectfully submit that the Office Action provides no documentary evidence to support the Official Notice taken by the Examiner, yet the asserted facts are not capable of “instant and unquestionable” demonstration as being well-known. **The Applicants respectfully request the Examiner to produce authority for the Examiner’s statement that “a dummy location and infinite transfer cost are both**

common knowledge in the parts distribution art.” (25 May 2006 Office Action, Pages 3-4). (Emphasis Added).

The Applicants further respectfully submit that ***the Applicants have adequately traversed the Examiner's assertion of Official Notice*** and direct the Examiner's attention to the pertinent text of the MPEP, which states:

If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (“[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings” to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2). (MPEP § 2144.03(C)).

Thus, if the Examiner continues to maintain the rejection of Claims 7-12 based on the Examiner's Official Notice, ***the Applicants respectfully request that the Examiner provide documentary evidence*** as necessitated by MPEP § 2144.03(C). Furthermore, if the Examiner is relying on personal knowledge to support the finding of what is known in the art, ***the Applicants further respectfully request that the Examiner provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding*** as further necessitated by MPEP § 2144.03(C).

The Proposed *Aykin-Rand-Official-Notice* Combination is Improper Under MPEP § 706.02(j) For Applicants Claims 7-12

The Applicants respectfully submit that the rejection of Claims 7-12 is improper under 35 U.S.C. § 103(a) over *Aykin*, *Rand*, or the Examiner's Official Notice, either individually or in combination, because ***the Examiner's initial burden of proof has not been satisfied***. In addition, the Applicants respectfully traverse the rejection of Claims 7-12 because the Examiner has not properly complied with MPEP § 706.02(j). The

Applicants respectfully directs the Examiner's attention to MPEP § 706.02(j) which states:

After indicating that the rejection is under 35 U.S.C. 103, the examiner should set forth in the Office action:

(A) the relevant teachings of the prior art relied upon, preferably with **reference to the relevant column or page number(s) and line number(s) where appropriate**,

(B) the difference or **differences in the claim over the applied reference(s)**,

(C) the **proposed modification of the applied reference(s)** necessary to arrive at the claimed subject matter, and

(D) an **explanation why one of ordinary skill** in the art at the time the invention was made **would have been motivated to make the proposed modification**. (MPEP § 706.02(j)). (Emphasis Added).

With respect to the subject Application, the Examiner has not set forth: (1) the relevant teachings of *Aykin* or *Rand* including any references to the relevant column and line numbers of *Aykin* or *Rand*; (2) asserted any argument or remarks regarding the differences in the Applicants claims over *Aykin* or *Rand*; (3) asserted any proposed modifications of *Aykin* or *Rand* to arrive at the Applicants claimed invention; or (4) asserted any explanation why one of ordinary skill would have been motivated to make the proposed modifications. In addition to failing to comply with the above MPEP requirements, the Examiner has also failed to establish a *prima facie* case of obviousness based on the three basic requirements set forth in MPEP § 706.02(j). First, there must be some suggestion or motivation, either in *Aykin* or *Rand*, or in the knowledge generally available to one of ordinary skill in the art, to modify *Aykin* and *Rand*. Second, there must be a reasonable expectation of success. Finally, *Aykin* and *Rand*, either individually or in combination, must teach or suggest all the Applicants claim limitations. **The teaching or suggestion to make the *Aykin* and *Rand* combination and the reasonable expectation of success must both be found in *Aykin* and *Rand* and not based on Applicants disclosure.** *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). (Emphasis Added).

The Applicants further respectfully submit that the MPEP clearly states that the “initial burden is on the examiner to provide some suggestion of the desirability of doing what the inventor has done.” (MPEP § 706.02(j)). “To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references.” *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985). In the subject Application, ***the Examiner has not shown the Applicants claimed invention to be expressly or impliedly suggested in Aykin, Rand, or the Examiner’s Official Notice nor has the Examiner presented a convincing line of reasoning***, let alone any reasoning, why the artisan would have found the Applicants claimed invention to be obvious in view of *Aykin, Rand*, or the Examiner’s Official Notice. In addition, ***the Examiner is silent as to any objection or rejection of Claims 8-12 over Aykin, Rand, or the Examiner’s Official Notice.***

The MPEP further states that “it is important for an examiner to properly communicate the basis for a rejection so that the issues can be identified early and the applicant can be given fair opportunity to reply.” (MPEP § 706.02(j)). Thus, if the Examiner continues to maintain the rejection to Claims 7-12 under 35 U.S.C. § 103(a) based on the proposed combination of *Aykin, Rand*, and the Examiner’s Official Notice, the Applicants respectfully request that the Examiner provide a proper argument in support of the Examiner’s rejection, as necessitated by MPEP § 706.02(j).

The Office Action has Failed to Properly Establish a *Prima Facie* case of Obvious over the Proposed *Aykin-Rand-Official-Notice* Combination

The Applicants respectfully submit that the Office Action has failed to properly establish a *prima facie* case of obviousness based on the proposed combination of *Aykin, Rand*, or the Examiner’s Official Notice, either individually or in combination. The Office Action has not shown the required teaching, suggestion, or motivation in these references or in knowledge generally available to those of ordinary skill in the art at the time of the

invention to combine these references as proposed. The Office Action merely states that to “have provided such for *Aykin* [and *Rand*] would have been obvious to one of ordinary skill in the art”. (25 May 2006 Office Action, Pages 3-4). The Applicants respectfully disagree.

The Applicants further respectfully submit that this purported advantage relied on by the Examiner is nowhere disclosed, taught, or suggested in *Aykin*, *Rand*, or the Examiner’s Official Notice, either individually or in combination. The Examiner asserts that the motivation to combine the references as proposed would be “**to implement common knowledge part redistribution when moving inventory.**” (25 May 2006 Office Action, Page 5). (Emphasis Added). The Applicants respectfully disagree and further respectfully request clarification as to what the Examiner is referring to or how the Examiner arrives at this conclusion. For example, what is “**common knowledge**” and how is this “**common knowledge**” implemented. In addition, how is this “**common knowledge**” implemented when “**moving inventory**” and to what extent does the Examiner purport that this “**implement[ed] common knowledge**” applies to the subject Application. ***The Applicants respectfully request the Examiner to point to the portions of Aykin, Rand, or the Examiner’s Official Notice which contain the teaching, suggestion, or motivation to combine these references for the Examiner’s stated purported advantage.*** In particular, the Applicants respectfully request the Examiner to point to the portions of *Aykin*, *Rand*, or the Examiner’s Official Notice which expressly state that “**common knowledge**” is implemented in a part redistribution when “**moving inventory**”. The Applicants further submit that the Examiner is using the subject Application as a template to formulate reconstructive hindsight, which constitutes impermissible use of hindsight under 35 U.S.C. § 103(a).

A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the ***prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art.*** *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). (Emphasis Added). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35. With respect to

the subject Application, the ***Examiner has not adequately supported the selection and combination of Aykin, Rand, or the Examiner's Official Notice to render obvious the Applicants claimed invention.*** The Examiner's conclusory statements that to "have provided such for Aykin [and Rand] would have been obvious to one of ordinary skill in the art" and "the motivation for having done such would have been ***to implement common knowledge part redistribution when moving inventory***", ***does not adequately address the issue of motivation to combine.*** (25 May 2006 Office Action, Pages 3-5). This factual question of motivation is material to patentability, and cannot be resolved on subjective belief and unknown authority. *Id.* It is improper, in determining whether a person of ordinary skill would have been led to this combination of references, simply to "[use] that which the inventor taught against its teacher." *W.L. Gore v. Garlock, Inc.*, 721 F.2d 1540 (Fed. Cir. 1983). Thus, ***the Office Action fails to provide proper motivation for combining the teachings of Aykin, Rand, or the Examiner's Official Notice***, either individually or in combination.

The Applicants Claims are Patentable over the Proposed Aykin-Rand-Official-Notice Combination

The Applicants respectfully submit that amended independent Claim 7 is considered patentably distinguishable over the proposed combination of *Aykin, Rand*, and the Examiner's Official Notice. Furthermore, dependent Claims 7-12 depend from amended independent Claim 7 and are considered to be in condition for allowance for at least the reason of depending from an allowable claim.

For at least the reasons set forth herein, the Applicants respectfully submit that Claims 7-12 are not rendered obvious by the proposed combination of *Aykin, Rand*, and the Examiner's Official Notice. The Applicants further respectfully submit that Claims 7-12 are in condition for allowance. Thus, the Applicants respectfully request that the rejection of Claims 7-12 under 35 U.S.C. § 103(a) be reconsidered and that Claims 7-12 be allowed.

THE LEGAL STANDARD FOR OBVIOUSNESS REJECTIONS UNDER 35 U.S.C. § 103:

To establish a *prima facie* case of obviousness, three basic criteria must be met. First, ***there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings.*** Second, there must be a reasonable expectation of success. Finally, ***the prior art reference*** (or references when combined) ***must teach or suggest all the claim limitations.*** The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, ***and not based on applicant's disclosure.*** *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); M.P.E.P. § 2142. Moreover, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 U.S.P.Q. 580 (CCPA 1974). If an independent claim is nonobvious under 35 U.S.C. § 103, then any claim depending therefrom is nonobvious. *In re Fine*, 837 F.2d 1071, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); M.P.E.P. § 2143.03.

With respect to alleged obviousness, ***there must be something in the prior art as a whole to suggest the desirability,*** and thus the obviousness, of making the combination. *Panduit Corp. v. Dennison Mfg. Co.*, 810 F.2d 1561 (Fed. Cir. 1986). In fact, the absence of a suggestion to combine is dispositive in an obviousness determination. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573 (Fed. Cir. 1997). The mere fact that the prior art can be combined or modified does not make the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 U.S.P.Q.2d 1430 (Fed. Cir. 1990); M.P.E.P. § 2143.01. The consistent criterion for determining obviousness is whether the prior art would have suggested to one of ordinary skill in the art that the process should be carried out and would have a reasonable likelihood of success, viewed in the light of the prior art. Both the suggestion and the expectation of success must be founded in the prior art, not in the Applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 U.S.P.Q.2d 1438 (Fed. Cir. 1991); *In re O'Farrell*, 853 F.2d 894 (Fed. Cir. 1988); M.P.E.P. § 2142.

A recent Federal Circuit case makes it clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed. Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

CONCLUSION:


In view of the foregoing amendments and remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Although the Applicants believe no fees are deemed to be necessary; the undersigned hereby authorizes the Commissioner to charge any additional fees which may be required, or credit any overpayments, to **Deposit Account No. 500777**.

Please link this application to Customer No. 53184 so that its status may be checked via the PAIR System.

Respectfully submitted,

8/22/06
Date


James E. Walton, Registration No. 47,245
Steven J. Laureanti, Registration No. 50,274
Daren C. Davis, Registration No. 38,425
Michael Alford, Registration No. 48,707
Law Offices of James E. Walton, P.L.L.C.
1169 N. Burleson Blvd., Suite 107-328
Burleson, Texas 76028
(817) 447-9955 (voice)
(817) 447-9954 (facsimile)
steven@waltonpllc.com (e-mail)

CUSTOMER NO. 53184

ATTORNEYS AND AGENTS FOR APPLICANTS